



Division of Insurance

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Winter 2018

In this Issue

Page 1
2019 Health Care
Enrollment Nov. 1
through Dec. 15

Page 2
2019 Health Care
Enrollment Nov. 1
through Dec. 15

Business Entity License
Renewals

Page 3
DOI Maintains
Accreditation Status
with NAIC

Administrative Rule
Updates

2019 Legislative
Session

Page 4
Reminder to Update
Contact Information

Division of Insurance
Website

Are You An Informed
Investor?

2019 Health Care Enrollment Nov. 1 through Dec. 15

The 2019 Affordable Care Act (ACA) Health Insurance Open Enrollment is scheduled from Nov. 1 through Dec. 15, 2018, with an effective coverage date of Jan. 1, 2019. The 2019 open enrollment period lasts 45 days, ending Dec. 15, 2018.

A recent federal rule may result in the increased presence of short-term, limited-duration plans sold throughout South Dakota. Usually associated with a lower premium, these plans may be attractive to consumers, but purchasers may not fully understand what this type of product will or will not cover.

Consumers are encouraged to seek assistance from their local agent in identifying any changes in health care needs and discuss plan benefit options available for 2019. An agent's assistance can help the consumer make the most informed decision possible when selecting their health care coverage for the upcoming year.

Things to consider when examining coverage options include:

- Evaluating a health insurance plan's terms and benefits;
- Reviewing the provider network;
- Assisting with distinguishing which providers, hospitals and other facilities are considered in-network; and
- Identifying the potential for increased out of pocket costs a consumer's existing provider is not considered in-network by the health insurance plan of choice.

Consumers were reminded to ask questions about any insurance policy they are considering for purchase. The plan offered may be a type of health insurance, but may not be a comprehensive major medical policy that provides complete health coverage.

Consumers should follow these tips if a call is received from anyone attempting to sell health insurance over the phone:

- Check dlr.sd.gov/insurance for additional information on carriers selling insurance in South Dakota.
- Remember, healthcare.gov is the **only** official website for the federal Marketplace. The site has information on the ACA, qualified health plans and comparisons of Marketplace plans available in 2019. Be cautious of other similar sounding names or websites. Remember, no one offering comprehensive health care coverage will ask if a pre-existing condition exists.
- Be wary of telemarketers from the "national enrollment center," "national healthcare center" or other official-sounding names. The federal government will not call selling health insurance.



2019 Health Care Open Enrollment Started Nov. 1, continued

- Do not provide Social Security numbers, bank account details or health information. If a caller pressures you to provide this information, hang up.
- Never agree to any request to send money over the phone.
- Purchase insurance through a licensed agent. Do not be afraid to ask for his or her license number. Remember, no one offering comprehensive health care coverage will ask if a pre-existing condition exists.
- Ask for written information about the policy, including premiums. Get the facts up front, before buying, in order to understand what the policy covers.

Two health insurance carriers, Avera Health Plan and Sanford Health Plan, were approved by the Division to sell individual comprehensive health policies during the 2019 open enrollment. Any other company offering health coverage is not approved to sell comprehensive coverage in South Dakota.

Agents and brokers selling in the Marketplace can access information and resources through The Center for Consumer Information and Insurance Oversight (CCIIO) at <https://www.cms.gov/ccio/programs-and-initiatives/health-insurance-marketplaces/a-b-resources.html>. Content includes background information, general resources, news, registration information and training.

Questions or concerns can be directed to the South Dakota Division of Insurance at 605.773.3563 or insurance@state.sd.us.

Business Entity License Renewals

Effective July 1, 2018, all business entity producer licenses issued by South Dakota are subject to a biennial renewal requirement.

Business entities licensed prior to April 1, 2018, were required to complete their first license renewal by Sept. 28, 2018. If completed, the renewal was effective as of July 1, 2018. Subsequent renewals will need to be completed every two years, on or before July 1. The renewal period will open 90 days prior to the license renewal deadline.

Business entity licenses issued on April 1, 2018, or after have a license expiration date exactly two years from the license effective date. Subsequent renewals will need to be completed every two years, on or before the license renewal deadline. The renewal period will open 90 days prior to the license renewal deadline.

Business entities can complete license renewals online via [Compliance Express \(Sircon\)](#) or [NIPR](#). There is no fee due to the state for a business entity license renewal, but a processing fee may be assessed by the vendor.

As part of the renewal process, the business entity will be required to identify an individual licensed producer as its Designated Responsible Licensed Producer (DRLP). The DRLP is responsible for the entity's compliance with South Dakota insurance law.

If an entity does not renew its license before the deadline, the license will lapse. License reinstatement will follow the same procedures as an individual producer license reinstatement.

During the initial renewal period for business entities licensed prior to April 1, 2018, 609 resident licenses and 4,464 nonresident licenses were renewed. A total of 2,575 licenses (622 resident and 1,953 nonresident) were canceled for nonrenewal.

Additional information for business entities including FAQs on the new renewal process is on the Division's website, dlr.sd.gov/insurance.

DOI Maintains Accreditation Status with NAIC

The South Dakota Division of Insurance successfully maintained its accreditation status with the National Association of Insurance Commissioners (NAIC).

During the NAIC Summer Conference held in Boston on Aug. 3, the Financial Regulation Standards and Accreditation (F) Committee voted to accredit the Division. New Hampshire's Insurance Department also received accreditation status at this meeting.

The Division completed the accreditation program's comprehensive and independent review, conducted every five years to ensure the Division continues to meet the financial solvency oversight standards established by NAIC. The review consisted of an on-site assessment by a designated NAIC review team as well as the committee evaluation conducted by the (F) Committee.

As stated by NAIC, the accreditation program establishes and maintains sound solvency regulation standards. It provides for the effective regulation of multi-state insurance companies with emphasis on each state's:

- Financial solvency laws and regulations;
- Financial analysis and examination capabilities;
- Organizational and personnel practices; and
- Insurer organizational review, licensing and change of control of domestic insurers

An accreditation designation promotes accountability and uniformity in financial solvency oversight across the nation. Accreditation allows regulators of multi-state insurers to rely on the solvency regulation of the domiciliary state, avoiding duplication in regulatory efforts and effectively controlling expenses associated with examination costs – costs that may influence the price of consumer products.

Additional information on accreditation is available on the NAIC website at https://www.naic.org/cipr_topics/topic_accreditation.htm.

Administrative Rule Updates

The Division of Insurance completes any updates or changes by following the statutorily defined rules review process. Recent administrative rule changes, proposed rule changes or notices of public hearing can be accessed [here](#).

Administrative Rule Changes

[20:06:09](#), [20:06:18](#), [20:06:22](#), [20:06:39](#), [20:06:54](#), and [20:06:55](#) – Effective Oct. 10, 2018.

Updated ORSA Manual referenced in rule, change term “qualification” to “line of authority” and updated rating standards for health issuers and the standards for the sale of individual health insurance and update references to preventive services.

[20:06:12](#), [20:06:19](#), [20:06:25](#), [20:06:26](#), [20:06:36](#) and [20:06:59](#) – Effective Aug. 2, 2018.

Updated sources referenced in rule and updates the definition of “health organization” to include “hospital.”

2019 Legislative Session

The Division is currently preparing for the 2019 Legislative Session, officially slated to begin at noon on Jan. 8, 2019. If you wish to discuss potential legislative changes with the Division prior to the legislative session, please contact our office at 605.773.3563 or emailing insurance@state.sd.us.

Winter 2018

Reminder to Update Contact Information

The South Dakota Division of Insurance reminds all producers, business entities and companies to verify that up-to-date contact information is on file with the Division. Accurate contact information, including email addresses, will ensure that all announcements or requests from the division are received and can be addressed in a timely manner.

Producers and Business Entities:

Producers and business entities can access and update their contact information through the [Sircon/Vertafore South Dakota Producer and Agency Portal](#) or [National Insurance Producer Registry \(NIPR\)](#).

Each portal allows producers to access various services including updating contact information, and license status and renewal, as well as continuing education requirements. (Account information required to access.)

Insurance Companies:

Companies can review and update their company contact information through the “Company Address Service” portal link available on the division’s website at dlr.sd.gov/insurance. Contact information for the following categories can be altered through the portal:

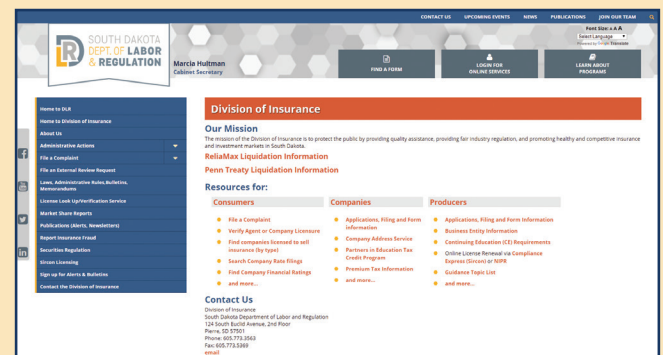
- Complaints
- External Review
- Mailing Location
- Market Survey
- Contact PIN
- Producer Licensing
- Risk Pool
- Taxes

Companies can access the portal by entering the company’s NAIC ID and assigned PIN. Company contacts that need a PIN or are unsure if a PIN contact has been established for their company can select the “Need PIN” hyperlink available on the portal’s main page. If a PIN contact has been established, the contact name for the company will be provided. If no PIN contact is on file, please contact the Division at 605.773.3563 or by emailing insurance@state.sd.us.

Division of Insurance Website

The division offers a variety of information on its website, including:

- [Applications, Filing and Form Information for Companies, Producers and Business Entities](#)
- [Securities Regulation Forms and Information](#)
- [Company Rate and Form Filings](#)
- [Market Share Reports](#)
- [Information on Filing a Complaint](#)
- [Administrative Actions](#)
- [Access to Verify Agent or Company Licensure](#)
- [Producer Continuing Education Information](#)



dlr.sd.gov/insurance

Are You An Informed Investor? [Access Investor Advisories and Alerts](#)

The Division offers a variety of information on its website, including:

- [Be Cautious of the Crypto Investment Craze](#) (Adobe PDF)
- [What to Know about ICOs](#) (Adobe PDF)

